

## Message Text

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C O N F I D E N T I A L SECTION 01 OF 05 MADRID 08872

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E.O. 11652: XGDS-1  
TAGS: PINT, SP  
SUBJECT: THE POLITICAL CALENDAR

REF: MADRID 5216

1. SUMMARY: THE FACT THAT THE CONSTITUTION IS NOW  
LARGELY SETTLED HAS HEATED UP SPECULATION ABOUT THE  
NATURE AND TIMING OF THE POLITICAL EVENTS TO FOLLOW.  
UNCERTAINTIES ATTENDING THE POST-REFERENDUM STAGE  
DERIVE PRINCIPALLY FROM THE FACT THAT THE DECISIONS  
ON THE CALENDAR REST IN THE FIRST INSTANCE WITH  
SUAREZ, AND HE CLEARLY IS WEIGHING HIS OPTIONS AND  
KEEPING HIS OWN COUNSEL. HE MAY NOT EVEN BEGIN TO  
MAKE THESE DECISIONS UNTIL HE TAKES THE LAY OF THE  
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POST-CONSTITUTION POLITICAL LANDSCAPE, IN THE CONTEXT OF  
THE SPECIFIC ISSUES THAT MUST THEN BE RESOLVED AND IN  
RESPONSE TO THE GAMBITS OF HIS POLITICAL ADVERSARIES  
AND THE RESULTS OF OPINION POLLS.

2. ALTHOUGH MUCH OF SUAREZ' CALCULATIONS WILL BE BASED  
ON QUESTIONS OF PARTISAN POLITICAL ADVANTAGE, AT ROOT

HIS DECISION IS LIKELY TO FLOW FROM HIS ANSWER TO A CENTRAL QUESTION: WHAT FORMULA WILL BEST CONTRIBUTE TO EFFECTIVE GOVERNANCE? THIS WILL INVOLVE A CHOICE ON HIS PART CONCERNING THE EXTENT TO WHICH HE WILL SEEK TO MAINTAIN SPAIN'S UNIQUE POLITICS OF CONSENSUS, A POLITICS TO WHICH HE CLEARLY IS ATTRACTED. WE BELIEVE HE LEANS TOWARD ATTEMPTING TO MAINTAIN AS MUCH CONSENSUS AS POSSIBLE, IN ORDER TO SHARE RESPONSIBILITY, REWARDS AND, WHERE NECESSARY, THE BLAME. BUT THE DIFFICULT ISSUES THAT MAKE UP THE POLITICAL AGENDA AND THE POLITICAL "QUID" LIKELY TO BE DEMANDED BY THE LEFT (PARTICULARLY THE PSOE) WOULD MAKE SUCH AN APPROACH DIFFICULT AND POSSIBLY OF DECREASING VALUE.

3. DESPITE STRONG BETTING IN SOME QUARTERS THAT LEGISLATIVE ELECTIONS WILL FOLLOW THE CONSTITUTION, WE JUDGE THAT SUAREZ IS RELUCTANT TO MOVE TO ELECTIONS, IN VIEW OF THE PREDICTABLE SLIDE IN HIS OWN AND UCD'S POPULARITY DEMONSTRATED BY THE POLLS. THIS RELUCTANCE, OF COURSE, COULD BE OVERCOME BY A STRONG REFERENDUM TURNOUT AND POST-REFERENDUM POLLS POINTING TO A SUAREZ/UCD SURGE. IF HE DOES NOT GO TO ELECTIONS, WE BELIEVE HE WILL ATTEMPT TO MOLD A STABLE PARLIAMENTARY MAJORITY TO REPLACE THE UNCERTAIN FLOATING MAJORITIES ON WHICH HIS MINORITY GOVT NOW DEPENDS. WHILE A NUMBER OF POSSIBILITIES PRESENT THEMSELVES, INCLUDING A "GRAND

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COALITION" WITH THE PSOE, WE BELIEVE HE NOW FAVORS AN AGREEMENT WITH THE CATALAN, AND PERHAPS THE BASQUE, MINORITY. EVEN THOUGH SUCH AN ARRANGEMENT WOULD PROVIDE HIM WITH ONLY A RAZOR-THIN MAJORITY, IT WOULD BE A NATURAL ALLIANCE OF BASICALLY LIKE-MINDED GROUPS WHICH WOULD CAUSE MINIMAL PROGRAMMATIC AND IDENTITY PROBLEMS. END SUMMARY.

4. THE CONSTITUTIONAL TIMETABLE. CONSIDERATION OF THE DRAFT CONSTITUTION BY THE CONGRESS OF DEPUTIES CONCLUDED ON JULY 21. THE DRAFT NOW PASSES TO THE SENATE, WHOSE DELIBERATIONS PROBABLY WILL BEGIN DURING THE WEEK OF AUGUST 7 AND CONTINUE THROUGH AUGUST AND PERHAPS INTO SEPTEMBER. THEN, IF THERE ARE IMPORTANT DIFFERENCES BETWEEN THE TWO HOUSES, A MIXED COMMITTEE WILL IRON THEM OUT. THE REFERENDUM WILL FOLLOW, PROBABLY IN EARLY OR MID-OCTOBER. POPULAR PARTICIPATION IN IT IS EXPECTED TO BE MORE THAN SUFFICIENT TO GUARANTEE THE DOCUMENT'S LEGITIMACY, AND THE VOTE SHOULD BE HIGHLY FAVORABLE, WITH THE BIGGEST QUESTION BEING THE BASQUE REGION, PARTICULARLY THE PROVINCES OF GUIPUZCOA AND VIZCAYA.

5. WHAT COMES NEXT? THE FACT THAT THE REMAINING WORK ON THE CONSTITUTION CONSISTS LARGELY OF REFINING AND POLISHING HAS LED ALL OF THE MAJOR PARTIES TO BEGIN TO LOOK IN EARNEST BEYOND THE PROSPECTIVE REFERENDUM DATE TO THE EVENTS THAT ARE LIKELY TO FOLLOW. CONSEQUENTLY, WITH ONE EYE ON THE CONSTITUTION AND THE OTHER ON THE SIX MONTHS THEREAFTER, THE

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PARTIES ARE NOW INVOLVED IN CRIETY OF TRIAL BALLOONS, AND JOCKEYING FOR POSITION IN ANTICIPATION OF PROMISED MUNICIPAL ELECTIONS AND POSSIBLY EVEN A NATIONAL LEGISLATIVE CONTEST. THE POLITICAL UNCERTAINTY THAT PREVENTS THEM FROM DOING MUCH MORE DERIVES PRINCIPALLY FROM THE FACT THAT, WHILE APPROVAL OF THE CONSTITUTION WILL FIX THE INSTITUTIONAL FRAMEWORK FOR EVERYTHING THAT FOLLOWS, IT DOES NOT AUTOMATICALLY SET IN TRAIN AN EXPLICIT SHORT-TERM POLITICAL CALENDAR. INSTEAD, THE TIMETABLE FOR POLITICAL -- PARTICULARLY ELECTORAL -- EVENTS THAT ARE TO COME NEXT IS LEFT TO BE DECIDED BY THE INTERACTION OF SPANISH POLITICAL FORCES.

6. IT IS ASSUMED THAT, IN ACCORDANCE WITH THE NEW CONSTITUTIONAL LEGALITY, SUAREZ WILL HAVE TO "RELE-  
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GITIMIZE" HIS GOVT SOON AFTER THE REFERENDUM. THIS COULD MEAN THAT HE WILL SIMPLY SEEK A VOTE OF CONFIDENCE IN THE CURRENT OR A RESTRUCTURED GOVT (CONSTITUTIONAL ART. 105), OR THAT HE WILL RESIGN, BE REAPPOINTED AND FORM A NEW GOVT WITH MAJORITY PARLIAMENTARY SUPPORT (ART. 93). BUT HE ALSO COULD DISSOLVE PARLIAMENT AND CONVOKE LEGISLATIVE ELECTIONS (ART. 108). THE BREAK WITH EXISTING LEGALITY EMBODIED IN THE CONSTITUTION APPEARS TO COMPEL HIM TO TAKE ONE OF THESE COURSES, BUT WHICH HE WILL OPT FOR IS NOT CLEAR AT THIS POINT, EVEN, WE BELIEVE, TO SUAREZ HIMSELF.

7. THE GOVT HAS COMMITTED ITSELF TO CONVOKE MUNICIPAL ELECTIONS WITHIN 30 DAYS AFTER APPROVAL OF THE CONSTITUTION, AND TO HOLD THEM WITHIN 90 DAYS OF CONVOCA-  
TION. BUT IN FACT THE SCHEDULING OF MUNICIPALS MAY DEPEND ON A NUMBER OF POLITICAL CONSIDERATIONS, INCLUDING THE POSSIBILITY THAT THEY COULD BE FOLDED INTO A TIMETABLE FOR LEGISLATIVE ELECTIONS, PERHAPS TO BE HELD SIMULTANEOUSLY WITH OR EVEN DELAYED UNTIL AFTER THE LEGISLATIVES. WE HAVE EVEN BEEN TOLD THAT SUAREZ IS MAKING SOUNDINGS AMONG THE OPPOSITION TO SEE WHETHER THE MUNICIPALS COULD BE PUT OFF ONCE AGAIN, A DELAY THAT WOULD BE COMPENSATED FOR BY THE FORMATION OF "COMISIONES GESTORAS," REFLECTING THE JUNE 1977 ELECTION RETURNS, TO GOVERN ON AN INTERIM BASIS AT THE MUNICIPAL LEVEL. CONSEQUENTLY, ALTHOUGH IT WILL BE EXTREMELY DIFFICULT FOR THE GOVT TO RENEGE ONCE AGAIN ON AN EXPLICIT COMMITMENT TO MUNICIPALS, SOME ALTERATION OF THE MUNICIPALS SCHEDULE IS NOT INCONCEIVABLE.

8. THE PRIME MINISTER'S ALTERNATIVES. SUAREZ' HANDS  
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HAVE BEEN LEFT UNTIED WITH REGARD TO THE POST-REFERENDUM CALENDAR BY UCD'S INSISTENCE ON THE INSERTION IN THE CONSTITUTION OF A DISPOSITION PROVIDING THAT THE SITTING PARLIAMENT CAN COMPLETE ITS ELECTORAL MANDATE, WHICH RUNS TO 1981. AS A RESULT, THE NATURE AND ORDER OF IMPORTANT POLITICAL EVENTS

ILL BE DETERMINED IN LARGE PART BY SUAREZ' CALCULATION OF POLITICAL ADVANTAGE AND DISADVANTAGE AT ANY GIVEN MOMENT. IF, FOR EXAMPLE, HE BELIEVES THAT EXPRESSED SUPPORT FOR THE CONSTITUTION, COMBINED WITH THE COUNTRY'S IMPROVING, THOUGH STILL UNEVEN ECONOMIC PROSPECTS, COULD TRANSLATE INTO A UCD ELECTORAL VICTORY AND PARLIAMENTARY MAJORITY, HE COULD WELL CONVOKE LEGISLATIVE ELECTIONS IN THE WAKE OF THE CONSTITUTION. IF, HOWEVER, THE POLLS DO NOT POINT RATHER CLEARLY TO AN IMPROVEMENT IN UCD'S PARLIAMENTARY SITUATION -- AND UNTIL NOW THEY DO NOT -- WE ASSUME HE WILL BE RELUCTANT TO MOVE TO LEGISLATIVES, AND WILL PREFER INSTEAD TO WEIGH COALITION POSSIBILITIES TO CARRY HIM THROUGH TO THE NEXT ELECTIONS. THESE POSSIBILITIES INCLUDE:

-- CONTINUING WITH A MINORITY UCD GOVT DEPENDENT ON FLOATING PARLIAMENTARY MAJORITIES AND CASE-BY-CASE UNDERSTANDINGS WITH ONE OR MORE PARLIAMENTARY GROUPS, RANGING FROM AP TO THE COMMUNISTS (PCE), DEPENDING ON THE ISSUE. THIS HAS BEEN FAR FROM A COMPLETELY SATISFACTORY ARRANGEMENT, HOWEVER, BECAUSE OF THE OBVIOUS UNCERTAINTIES INVOLVED AND THE PERIODIC EMBARRASMENTS

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THAT HAVE RESULTED WHEN UCD HAS LOST VOTES IN THE LOWER HOUSE. WE BELIEVE SUAREZ PREFERS NOT TO CONTINUE WITH THIS FORMULA, AND WILL ATTEMPT TO STRUCTURE A STABLE PARLIAMENTARY MAJORITY AFTER THE CONSTITUTION IS APPROVED.

-- SECURING THIS MAJORITY THROUGH AN AGREEMENT WITH THE CATALAN MINORITY WHICH EITHER BRINGS THEM INTO THE GOVT ITSELF OR ENSURES THEIR PARLIAMENTARY SUPPORT IN EXCHANGE FOR GOVERNMENTAL BACKING IN OTHER AREAS, SUCH AS ON THE AUTONOMY STATUTE AND IN CATALAN REGIONAL POLITICS GENERALLY. THIS AGREEMENT COULD EXTEND TO THE BASQUE PNV AS WELL, ALTHOUGH THE PNV WOULD BE CHARY OF ANY FORMAL COMMITMENT TO THE GOVT, WITH WHICH IT ALREADY IS RATHER UNHAPPY ANYWAY, IN ORDER NOT TO BESMIRCH ITS "BASQUENESS." AN ARRANGE-  
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MENT WITH THE CATALANS, AND POSSIBLY THE BASQUES, IS ATTRACTIVE TO SUAREZ BECAUSE IT IS A NATURAL COALITION OF BASICALLY LIKE-MINDED POLITICAL GROUPINGS (EXCEPT, ESPECIALLY FOR THE PNV, ON ALL ASPECTS OF THE AUTONOMY ISSUE) WITH SOMETHING TO OFFER EACH OTHER. IT ALSO THEORETICALLY WOULD PROVIDE THE GOVT WITH THE NECESSARY PARLIAMENTARY NUMBERS. THE DISADVANTAGES INCLUDE THE POSSIBILITY THAT EVEN THE TRANSACTIONAL CATALANS MIGHT DEMAND MORE THAN THE GOVT COULD COMFORTABLY GIVE FOR SUCH COLLABORATION, AND THAT THE PARLIAMENTARY MAJORITY RESULTING FROM IT COULD PROVE EPHEMERAL, BECAUSE IT IS QUITE THIN AND UCD IS NOT WELL DISCIPLINED. (ALTHOUGH AN AGREEMENT WITH AP WOULD GIVE SUAREZ AN ADDITIONAL PARLIAMENTARY CUSHION, HE CLEARLY VIEWS AP AS AN UNACCEPTABLE PARTNER, EITHER IN A 2-PARTY ARRANGEMENT OR IN COMBINATION WITH THE REGIONAL PARTIES, WHICH ALSO WOULD CONSIDER AP BEYOND THE PALE.)

-- A "GRAND COALITION" WITH THE PSOE, WHICH WOULD PROVIDE THE GOVT WITH AN OVERWHELMING PARLIAMENTARY MAJORITY AND COULD CONTRIBUTE TO A FURTHER MODERATION OF PSOE POLICIES. COALITION IS AN IDEA TO WHICH THE PSOE IS INCREASINGLY OPEN, DEPENDING ON THE MODALITIES, BUT WHICH ALSO WOULD BE CONDITIONED BY STIFF PSOE DEMANDS. MOREOVER, SUCH A COALITION COULD LEAD TO A STRENGTHENING OF THE PSOE AT THE EXPENSE OF UCD, AS THE PSOE DEMONSTRATED ITS RESPONSIBILITY AND ABILITY TO GOVERN, OR TO A STRENGTHENING OF THE TWO PARLIAMENTARY EXTREMES -- PCE AND AP -- IF THINGS WENT BADLY. IT ALSO WOULD HEIGHTEN TENSIONS WITHIN UCD, AND MIGHT EVEN LEAD TO SPLINTERING, WITH MORE CONSERVATIVE UCD

ELEMENTS SPLITTING OFF IN PROTEST OVER THIS COALITION WITH THE "MARXIST LEFT." IN SPITE OF THE FACT THAT SUAREZ DANGLES THE PROSPECT OF PARTNERSHIP BEFORE THE SOCIALISTS, CONFIDENTIAL

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RECENT REMARKS HE HAS MADE TO THE AMBASSADOR AND TO SENATOR BYRD CONFIRM EARLIER INDICATIONS THAT HE CONTINUES TO VIEW THEM FUNDAMENTALLY AS NATURAL ADVERSARIES, RATHER THAN POTENTIAL ALLIES, AND AS UCD'S ONLY POTENTIALLY VIABLE DEMOCRATIC ALTERNATIVE. THUS, PSOE'S PARTICIPATION WITH UCD IN GOVT COULD DAMAGE ONE OR BOTH PARTIES AND THEREBY UNDERMINE SPANISH DEMOCRACY GENERALLY. FOR THESE REASONS, WE JUDGE THAT SUAREZ CONSIDERS A UCD-PSOE COALITION AN ALTERNATIVE OF LAST RESORT.

9. CONSENSUS OR COMPETITION? AS SUAREZ WEIGHS HIS POLITICAL ALTERNATIVES, CALCULATIONS OF PARTISAN ADVANTAGE, THOUGH IMPORTANT, ARE LIKELY TO BE ONLY PART OF A MORE FUNDAMENTAL QUESTION: SUAREZ' SEARCH FOR A FORMULA FOR POST-CONSTITUTION SPANISH POLITICS THAT WILL BEST CONTRIBUTE TO EFFECTIVE GOVERNANCE (SOMETHING TO WHICH UCD'S PARTISAN FORTUNES ALSO ARE RELATED, OF COURSE). UNTIL NOW, THE BASIC CONCEPT UNDERLYING THE ACTIONS OF THE VARIOUS PARTIES HAS BEEN THAT SPAIN CONTINUES IN THE "CONSOLIDATION OF DEMOCRACY" STAGE, A PROCESS WHICH REQUIRES AN EMPHASIS ON PRAGMATISM, COMPROMISE AND ACCOMMODATION, ON A "POLITICS OF STATE," RATHER THAN A "POLITICS OF PARTY." CERTAINLY SINCE THE MONCLOA PACTS WERE SIGNED LAST OCTOBER, IN RECOGNITION OF THE NEED FOR BROAD AGREEMENT ON THE ECONOMIC FRONT AND WITH REGARD TO THE CONSTITUTION, "CONSENSUS" HAS BEEN THE ORDER OF THE DAY.

10. ALTHOUGH SUAREZ POINTEDLY STATED IN HIS APRIL ADDRESS TO THE CORTES THAT "NORMAL" PARTISAN POLITICS WOULD REPLACE THIS CONSENSUAL APPROACH ONCE THE CONSTITUTION WAS SUCCESSFULLY OUT OF THE WAY, BOTH HE AND A NUMBER OF OTHER UCD LEADERS HAVE MORE RECENTLY REITERATED WHAT ONE COMMENTATOR CALLS THE "DESIRE FOR

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SYNTHESIS," BY IMPLYING THAT THE "CONSOLIDATION"  
PHASE WILL CONTINUE AFTER THE CONSTITUTION, AND WILL  
REQUIRE THE CONTINUATION OF A CERTAIN POLITICS OF CON-  
SENSUS. PREDICTABLY, THE PCE IS CLEARLY ON RECORD IN  
FAVOR OF SUCH AN APPROACH, AND EVEN SOME PSOE LEADERS,  
MORE AMBIGUOUSLY, HAVE EXPRESSED THEMSELVES IN FAVOR  
(ONLY AP IS UNEQUIVOCALLY ON RECORD AS OPPOSED). OF  
COURSE, EACH OF THESE PARTIES MEANS SOMETHING DIFFERENT  
WHEN IT SPEAKS OF CONSENSUS POLITICS, BUT THESE STATE-  
MENTS DEMONSTRATE THAT EVEN THE GENERAL OUTLINE OF  
POST-CONSTITUTION SPANISH POLITICS REMAINS TO BE CLEARLY  
DRAWN.

11. PRESSURES TOWARD CONSENSUS. PERHAPSMOST IMPORTANT  
AMONG THE REASONS WHY SUAREZ CONTINUES TO BE ATTRACTED  
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BY THE POLITICS OF CONSENSUS IS THAT HE IS CERTAIN TO  
BE IMPRESSED BY THE NUMBER OF ISSUES ON THE POST-  
REFERENDUM AGENDA WHICH MIGHT BEST BE DEALT WITH  
THROUGH A MAINTENANCE OF CONSENSUS POLITICS, WHICH  
WOULD SPREAD THE RESPONSIBILITY, THE REWARDS, AND,  
WHERE NECESSARY, THE BLAME. THESE INCLUDE:

-- THE NECESSITY TO DRAFT AND APPROVE A NUMBER OF  
COMPLEX AND POTENTIALLY DIVISIVE AUTONOMY STATUTES,  
STARTING WITH THE BASQUE PROVINCES AND CATALONIA;

-- THE NEED TO APPROVE OVER 50 PIECES OF ENABLING



LEGISLATION FOR THE CONSTITUTION. THESE LAWS COVER THE WIDEST POSSIBLE RANGE OF ISSUES, AND MANY OF THEM WILL HAVE THE RANK OF "ORGANIC" LAWS; AND

-- THE IMPERATIVE OF REACHING SOME AGREEMENT ON THE MAINTENANCE OF WAGE RESTRAINT IN THE ADVENT OF THE YEARLY COLLECTIVE BARGAINING CYCLE THIS FALL AND WINTER AND, MORE GENERALLY, ON THE CONTINUATION OF SOME SORT OF AUSTERITY PROGRAM WHEN THE MONCLOA PACTS EXPIRE AT THE END OF 1978.

12. THE PULL TOWARD COMPETITION. WITH THE CONSTITUTION OUT OF THE WAY, HOWEVER, THE FUNDAMENTAL JUSTIFICATION FOR SO MUCH EMPHASIS ON CONSENSUS WILL BE DILUTED, EVEN IF NOT ELIMINATED. MOREOVER, SOME OF THE PRESSURES AGAINST MAINTAINING THE PRE-CONSTITUTION MODUS VIVENDI ARE GENERATED BY THE VERY ISSUES THAT CAUSE MANY TO THINK LONGINGLY OF CONTINUING CONSENSUAL POLITICS, BECAUSE THESE ISSUES ARE INTRINSICALLY CONFLICTIVE. FOR EXAMPLE,

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-- LABOR IS RESTIVE UNDER THE WAGE RESTRAINTS OF THE PAST YEAR, AND BOTH LABOR AND THE LEFT PARTIES (PSOE AND PCE) WOULD AT A MINIMUM EXPECT CONSIDERABLY MORE IN CONCESSIONS FROM THE GOVT THAN SUAREZ HAD TO GIVE IN EXCHANGE FOR THE MONCLOA PACTS, AND PERHAPS MORE THAN HE WOULD WANT TO YIELD.

-- THE PACKAGE OF ENABLING LEGISLATION ON WHICH CONSENSUS WOULD BE SO DESIRABLE WAS CREATED IN PART PRECISELY BECAUSE SUCH A CONSENSUS COULD NOT BE ACHIEVED IN THE CONSTITUTION ITSELF, AND TO DISPLACE THE FOCUS OF DISAGREEMENT FROM THE CONSTITUTION TO INDIVIDUAL PIECES OF LEGISLATION.

-- ANY DECISION ON SPAIN'S FUTURE DEFENSE ORIENTATION (I.E., NATO) WILL BE DIVISIVE, SINCE UCD AND AP SUPPORT ALLIANCE MEMBERSHIP WHILE THE PSOE AND PCE ARE OPPOSED. UCD LEADERS HAVE POINTED TO THE DESIRABILITY OF A CONSENSUS PRO-NATO DECISION, BUT LEFT OPPOSITION APPEARS TO MEAN THAT THE DECISION WILL HAVE TO BE RAMMED THROUGH OVER THE OBJECTION OF THE LEFT, OR IT WILL SIMPLY BE DEFERRED, IN THE NAME OF CONSENSUS, PERHAPS UNTIL AFTER THE NEXT LEGISLATIVE ELECTIONS.

13. WAITING FOR SUAREZ. THE NET EFFECT OF THESE CROSS-CUTTING CONSIDERATIONS WILL BE TO BRING SUAREZ TO WEIGH DIFFERENT CONSENSUS FORMULAS, OR COMBINATIONS OF CONSENSUS

AND COMPETITION. HIS DECISION ON WHETHER TO GO TO ELECTIONS, OR ON WHAT SORT OF GOVERNING ARRANGEMENT IS MOST APPROPRIATE IF ELECTIONS ARE NOT CONVOKED, IS LIKELY TO BE DEEPLY INFLUENCED BY WHERE HE COMES OUT ON THE CONSENSUS/COMPETITION QUESTION. WE BELIEVE HE CURRENTLY TILTS

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TOWARD ATTEMPTING TO MAINTAIN AS MUCH OF THE PRE-CONSTITUTION CONSENSUS AS POSSIBLE, PARTICULARLY SINCE THE POLLS TESTIFY TO A SLIDE IN HIS AND UCD'S POPULAR SUPPORT. THIS, OF COURSE, COULD CHANGE AFTER THE CONSTITUTION, AND A DEMONSTRATION BY THE POLLS THAT SUAREZ AND UCD WERE PICKING UP A POST-CONSTITUTION WAVE COULD BRING HIM TO LOOK AGAIN AT THE NEED FOR CONTINUED CONSENSUS AND THE POSSIBLE DESIRABILITY OF ELECTIONS. IT APPEARS THAT THE EVENTUAL FORMULA HE WILL SEEK IS LIKELY TO BE SOMETHING LESS CONSENSUAL THAN PRE-CONSTITUTION POLITICS, BUT ALSO LESS COMPETITIVE THAN "NORMAL" PARTISAN POLITICS WOULD IMPLY, I.E., AS USUAL, SOMETHING PECULIARLY SPANISH.

14. BUT ANY FINAL DECISION SUAREZ ARRIVES AT WILL BE  
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MADE NOT ONLY UNDER THE PRESSURE OF TIME AND EVENTS THEMSELVES, BUT ALSO OF THE EXPRESSED CONCERNS OF SOME OF HIS CLOSEST ASSOCIATES THAT TOO MUCH DELAY WILL DAMAGE THE COUNTRY'S ECONOMY. FINANCE MINISTER FERNANDEZ ORDONEZ, FOR EXAMPLE, TOLD THE AMBASSADOR JULY 28 THAT HE WOULD SOON MEET WITH SUAREZ PRECISELY TO URGE THAT THE PRIME MINISTER MAKE AN EARLY AND PUBLIC DECISION ON THE POST-REFERENDUM CALENDAR. THIS CLARITY WAS NECESSITATED, AMONG OTHER REASONS, BY THE IMPERATIVE OF ESTABLISHING A CLIMATE OF CONFIDENCE AND PREDICTABILITY THAT WOULD SUBSTANTIALLY INCREASE THE COUNTRY'S LAGGING RATE OF INVESTMENT. FIRST VICE PRESIDENT/DEFENSE MINISTER GUTIERREZ MELLADO ALSO EXPRESSED SIMILAR SENTIMENTS ABOUT THE NECESSITY OF AN EARLY DECISION ON SUAREZ' PART DURING A SEPARATE CONVERSATION WITH THE AMBASSADOR LATER ON JULY 28.

15. IF SUAREZ RESISTS PRESSURES FOR EARLY LEGISLATIVE ELECTIONS, WE JUDGE HE WOULD LEAN TOWARD AN ARRANGEMENT WITH THE CATALANS, AND POSSIBLY THE BASQUES, ALTHOUGH WE DO NOT BELIEVE HE HAS REACHED ANY FIRM DECISION ON THIS. SUCH AN AGREEMENT, WITH ITS OBVIOUS DRAWBACKS, SEEMS TO OFFER SUAREZ THE LEAST UNPALATABLE MIDDLE GROUND, THE GREATEST INTERNAL GOVERNMENTAL COHERENCE AND HARMONY, AND THE LEAST STRAIN ON HIS OWN HETEROGENEOUS, STILL LARGELY UNFORMED PARTY. THIS ALSO WOULD BE AN ARRANGEMENT THAT WOULD NOT RULE OUT HIS SEEKING BROADER PARLIAMENTARY SUPPORT ON SPECIFIC ISSUES WHERE AMPLE CONSENSUS CONTINUES TO BE DESIRABLE. TODMAN

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## Message Attributes

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**Litigation History:**  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Message ID:** 090b8b58-c288-dd11-92da-001cc4696bcc  
**Office:** ACTION EUR  
**Original Classification:** CONFIDENTIAL  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 11  
**Previous Channel Indicators:** n/a  
**Previous Classification:** CONFIDENTIAL  
**Previous Handling Restrictions:** n/a  
**Reference:** 78 MADRID 5216  
**Retention:** 0  
**Review Action:** RELEASED, APPROVED  
**Review Content Flags:**  
**Review Date:** 24 jun 2005  
**Review Event:**  
**Review Exemptions:** n/a  
**Review Media Identifier:**  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**SAS ID:** 1562808  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** THE POLITICAL CALENDAR  
**TAGS:** PINT, SP  
**To:** STATE USEEC  
**Type:** TE  
**vdkgvwkey:** odbc://SAS/SAS.dbo.SAS\_Docs/090b8b58-c288-dd11-92da-001cc4696bcc  
**Review Markings:**  
Sheryl P. Walter  
Declassified/Released  
US Department of State  
EO Systematic Review  
20 Mar 2014  
**Markings:** Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014